

away K.Y.
Dairy Del.
Stores

ATTACHMENT I

R. J. REYNOLDS TOBACCO COMPANY
PREFERRED PRESENCE COUNTER DISPLAY PLAN

R. J. Reynolds Tobacco Company is pleased to announce the following display plans, effective April 1, 1990, for retail stores which sell 120+ CPU primarily by the package. This plan terminates and supersedes Permanent Counter Display plans and the Doral CCD Plan in the retail outlets which accept these plans.

General Requirements for Participation:

- RJR Permanent Counter Display at cash register
- RJR Promotional Counter Display
- RJR Designated Advertising

Payments will be made on a quarterly basis as follows. All payments shown per month per store:

| Volume Category | Weekly Cigarette Volume | • 3 Trays • Promo Display • Designated Adv. | • 4 Trays • Promo Display • Designated Adv. |
|-----------------|-------------------------|---|---|
| 3 | 120-169 | \$85 | \$ 95 |
| 4 | 170+ | \$95 | \$100 |
| Plan | | K3 | L3 |

Cigarette volume will be determined by the average total weekly sales of all brands of cigarettes during the most recent three-month period.

Specific Requirements:

R. J. Reynolds Tobacco Company will furnish appropriate display fixtures and advertising vehicle for the plan selected by the retailer.

• Cash Register Display

- This plan is made available to those retailers who position and maintain the display adjoining the primary cash register. The display selected will be placed with riser card(s) on top tray(s) and other advertising materials as determined by R. J. Reynolds Tobacco Company on lower tray(s) if applicable.
- The primary cash register position, as defined by R. J. Reynolds Tobacco Company, is a position directly adjoining the most active cash register and on the customer side or front of that register. Final approval of an acceptable display position will be determined by an R. J. Reynolds Tobacco Company representative.

• Promotional Counter Display

- The Promotional Counter Display consists of a specially designed merchandiser for a combination of full price promotional packs and low price RJR brands.
- The display will be positioned on the primary checkout as agreed upon by the R. J. Reynolds Tobacco Company representative.

• Designated Advertising

- Designated RJR Advertising must be placed in an unobstructed location no more than 10 feet from the primary selling area facing the consumer.
- The R. J. Reynolds Tobacco Company representative reserves the right to determine type and location of Designated Advertising placement.

Only one display plan may be selected by any one retail store.

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Retailer will continuously maintain an adequate display of designated brands carried by the retailer, as selected by R. J. Reynolds Tobacco Company. Displayed brands must be unobstructed and self-service to the consumer.

Brand selection will correspond to the riser card promotional messages which will be periodically changed at the discretion of R. J. Reynolds Tobacco Company.

The retailer will not permit posters, shelf strips, decals, or other advertising, promotional, or informational materials, including those relating to the retailer's own products, to be affixed or appended to any part of the display fixture(s) or designated advertising piece except those of R. J. Reynolds Tobacco Company which are a part of or relate to said displays or advertising piece.

Retailer will permit R. J. Reynolds Tobacco Company's representative to make reasonable audits of performance and to inspect and rotate stocks of R. J. Reynolds Tobacco Company's products in stores under contract.

R. J. Reynolds Tobacco Company will make payments by check as soon as practicable. Payments will be made for stores rendering full performance during a quarter, and on a pro rata basis for stores rendering performance for less than one full quarter but more than one calendar month. Retailer will not deduct amounts due under contract from invoices due R. J. Reynolds Tobacco Company.

The attached contract will remain in effect, unless and until terminated by either party upon notice delivered to the other. In the event of failure of performance by retailer, this contract may be terminated by R. J. Reynolds Tobacco Company forthwith and without notice.

This offer is extended pursuant to R. J. Reynolds Tobacco Company's general plan, that, in the judgment of the Company, is made available on proportionately equal terms to all competing retailers.

We/1 the undersigned retailer and R. J. Reynolds Tobacco Company, by signing below, thereby agree, for the type plan and stores designated below, to the terms and conditions of the R. J. Reynolds Tobacco Company Preferred Presence Counter Plan, dated April 1, 1990.

By signing this agreement, the retailer shall hold harmless, indemnify, and defend, R. J. Reynolds Tobacco Company, its parent, affiliates, officers, directors, and employees from and against all injuries or damage sustained, whether to person or property as a result of ceiling mount installation or other modification of the overhead package merchandiser, and any non-illuminated or lighted/electronic signage that requires ceiling mount installation as part of the R. J. Reynolds designated advertising.

Store Name Anna K's Dairy Deli Stores RJR Account Number _____
(Please Print)
Street Address 160 Route Office # 1 RJR Territory Number _____
City/State Aberdeen N.J. Zip 07747
Call Classification _____ Branch (if chain) _____

Circle Correct Plan Under Appropriate Volume Category

| Cigarette | 2 1/2 | 4 | Number of | Total Quarterly |
|-----------------|------------|-------|-------------------|------------------|
| Volume Category | Trays | Trays | Qualifying Stores | Dollar Amount |
| 120-169 Cartons | 3K3 | 3L3 | <u>OPENED</u> | \$ <u>311.40</u> |
| 170+ Cartons | <u>4K3</u> | 4L3 | | \$ <u>121.40</u> |
| | | Total | | \$ <u>432.80</u> |

system III

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R. J. REYNOLDS TOBACCO COMPANY
PREFERRED PRESENCE COUNTER DISPLAY PLAN

Retailer's Signature

Title:

6/7/91
Date Contract Signed

6/1/91
Contract Effective Date

R. J. REYNOLDS TOBACCO COMPANY

By:

Is your organization a corporation, government agency, or tax exempt? YES (Yes/No)

If not, enter your TIN in the applicable space provided:

Individual Proprietorship: _____
(Social Security Number)

Partnership: 22.3104163
(Employer ID Number)

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